

525.d. 28

# A BRIDGMENT

OF

## Mr. LONDON'S *Complete System*

OF

## BOOK-KEEPING:

CONTAINING,

1st, Those excellent Rules for acquiring the *Art of Book-keeping*, never printed before in any Language, by means of which Persons of but a common Genius, and not knowing anything of the Matter before, have been actually taught how to *state, post, examine, and balance Books of Account*, in which the whole *Theory* of that Art consists, and have also reduced it into Practice, the whole, in three Hours time, or less.

2dly, 'An Explanation of the Nature and Manner of keeping Accounts on a Merchant's *Ledger*, in two Sorts of Coin or Specie, at one and the same time; absolutely necessary to be used in case of Consignments abroad.'

3dly, A full Demonstration of a most egregious Error committed by Mr. WEBSTER, in his *Essay on Book-keeping*, for want of knowing the Method just spoken of. And,  
4thly, A Detection of some other very egregious Errors contained in the said *Essay*.

To which is added,  
5thly, The Manner of keeping Account of *Bank, India, South Sea Stock, &c.* after the *Italian Method* of Book-keeping; drawn up at the Instance of a Proprietor in the Public Funds some time since, and now first published.

By JOHN LONDON, late of *Tiverton, Merch<sup>t</sup>.*

*Candidus imperti.*

HOR.

### L O N D O N :

Printed for the AUTHOR; and sold by Mr. COMYN, Mr. JAMES, and Mr. HENDERSON, at the *Royal-Exchange, Cornhill*; Mr. KEITH, in *Gracechurch-street*; Mr. BALDWIN, in *Pater-noster-row*; Mr. ROBINSON, in *Ludgate-street*; Mr. RUSSEL, without *Temple-bar*; and most other *Booksellers*. (Price One Shilling and Sixpence.)

MDCCLVII.

# ABRIDGMENT

Motionless Gaze

Surprised by the

## DISCUSSION

of the discussion, it is evident that the author has given a great deal of thought to the subject. He has clearly defined his position and has presented it in a logical and convincing manner. His arguments are well-reasoned and supported by solid evidence. The author's writing style is clear and concise, making the text easy to follow. The overall impression is one of a well-written and informative discussion.

John Polson's discussion

is a well-written and informative discussion.

The author's writing style is clear and concise, making the text easy to follow.

The overall impression is one of a well-written and informative discussion.

THE  
P R E F A C E.

I SHALL not make any Apology for publishing this *Abridgment*. —The great Benefit which it is capable of diffusing at so small an Expence, will, I trust, make it speak for itself, as it contains;

First, Those excellent Rules for Book-keeping (printed for the very first Time in my Complete System of that Art) illustrated with proper Examples, by which Persons of but a common Genius, and not knowing so much as the Meaning of the plainest Terms of Art, the Words *Dr.* and *Cr.* have actually been taught how to state, post, examine, and ballance Books of Account, in which the whole *Theory* of Book-keeping consists, and have also reduced it into *Practice*, the whole, in the Space of three Hours or less: Rules so short, as to be learnt in a few Minutes, and retained without burthening the Memory.

Secondly, To explain the Nature and Manner of keeping Accounts on a Merchant's Leidger, in two Sorts of Coin or Specie, at one and the same time, namely, *Domestic*, and *Foreign*, absolutely necessary in all Cases; where a Merchant makes Consignments abroad in any Shape, for his own Account.

Thirdly, I shall point out a most egregious Error committed by Mr. Webster in his *Essay on Book-keeping*, for want of knowing any thing of the Method just spoken of.

Fourthly, I shall take notice of some other very notorious Defects and superfluous Introductions in respect of Accounts, which occur in his said Tract. And,

Fifthly, I shall set forth and illustrate by Examples, the manner of setting to Account *Bank*, *India*, *South Sea Stock*, &c. after the *Italian* Method of *Book-keeping*, never published before.

In the mean time, give me leave to observe, that I should never have troubled myself with writing on this Subject at all, imagining that the *Art of Book-keeping* had been understood at *London*, in as great a Perfection as at *Amsterdam*, from whence I had my Knowledge, if I had not accidentally met with Mr. WEBSTER's *Essay on Book-keeping*, and finding it had past ten Impressions, been curious enough to look into it, in Expectation of seeing somewhat very excellent in so well received a Performance; which Expectation was still heightened, when the Dedication gave me to understand, that so eminent a *Merchant*, and so intelligent a *Gentleman* as the late Sir Charles Peers, had given it his Approbation before its Publication; and the Preface that some others, whom he styles the *best Judges*, had approved of it afterwards: In Consequence whereof he says in a little Piece annexed to his *Essay* aforesaid, it had been twice printed in a little more than a Twelvemonth's

Time. But how great was my Astonishment after all this, when I found that Mr. Webster, who had given us no more than one Example of a Merchant's having sent Goods abroad to his Factor to be sold for his Account, makes it out, that he gains by a Consignment amounting to £196. no less than £54. Sterling; whereas if the Account had been rightly stated, he actually lost £6. Sterling by it, as will be found demonstrated beyond Dispute, under the third Head of this Tract above spoken of. So that if the Art of *Book-keeping* be no better understood in the *Counting Houses* of this great trading City, than in its *Academies* for teaching it, a Gentleman who hath largely embarked in Trade, might well imagine he was getting an immense Estate in a few Years, and set up an Equipage accordingly; whilst, instead of it, he would find himself quite undone, before he found out the Mistake, if ever he became sensible of it at all. And this an eminent Merchant of this City, who understands the true Method of Book-keeping himself, by having served Part of his Time in *Holland*, told me was actually the Fate of a near Relation of his own, well known personally to myself also; who had, said he, the best of Correspondents in the large Commerce which he was engaged in, and yet died insolvent, for want of knowing how to keep his Books properly, at the same time that he could not resolve with himself to employ a Person capable of doing it for him: A neglect attended with so certain and fatal Misfortunes, as that the *Dutch Phrase* for a Person's becoming a **BANKRUPT** is, THAT HE HATH NOT KEPT HIS BOOKS RIGHT.

As to this *Abridgment*, I will venture to pronounce it very valuable if it was only for this one Thing, that those who come to understand it, will find that if it be their Fortune to serve in a Counting House, where Books are not so regularly conducted as they ought to be, they will not only immediately perceive it, but with due Attention become in time, capable of forming and conducting them upon a right *Plan* without any other Assistance, if it should be at any time required of them: But otherwise, they will not fail of ordering their own Books right, if they ever engage in Trade for themselves. So that however true it is, that a *Counting House* is the fittest Place for a young Gentleman to learn Book-keeping in, yet if he happens to come into one where Matters are not conducted upon right Principles, it would be found that some previous Instructions, in order to lay a regular Foundation in that respect, are absolutely necessary. Nay, supposing his Lot to be ever so fortunate, and that Things are carried on therein according to Art; yet a competent Degree of Knowledge beforehand, will be found of great Advantage to him.

But the *Complete System* itself, hath, notwithstanding, a vast Advantage over the *Abridgment* on this Account; because whoever may think

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think fit to be at the Pains of going through a Course of Book-keeping, according to the *Plan* laid down in the Second Part of it, will become Master of the *Practical Part* of the *Art*, as well as the *Theory*, and be qualified for conducting a Set of Books in *real Business directly*; which nothing but Use, that makes all Things perfect, can accomplish. Besides, there is a most valuable *Piece annex'd* to the Second Part aforesaid, which could not be comprised within the *Abridgment* at all, as it relates only to the *Plan* just spoken of. I mean the *Epitome*, or *Monthly Abstract* of the Merchant's Accounts contained therein: An *Epitome* which is comprised in two Pages only, tho' it contains the Sum and Substance of six Months Transactions of a Commerce not inconsiderable: And an *Epitome* valuable on the two following Accounts in particular; namely, because a Merchant or Tradesman may by the Use of it, be inabled to carry on his Commerce with a considerable less *Capital*, than he could do otherwise, as he might carry his Accounts always in his Pocket, and have them ready to have recourse to on all Occasions; and because, he will be able to know how his Affairs stand with every body, in case his Books of Account should happen to be destroyed by Fire, or any other Accident: A further Account of which, may be found at the End of the said Second Part, together with the *Epitome* itself.

To what I have been saying in regard of the Second Part of my *Complete System*, give me leave to add, here, a few Lines more on that Subject, as follows;

In the *Remarks* to be found at the End of the said *Treatise*, I gave Instructions how *Warehousemen*, *Shopkeepers*, and People in such like Businesses; as also *Owners of Estates*, and *Stewards* or *Rent-gatherers*, might apply the *Italian Method* of *Book-keeping* to the keeping Books of Account in their own respective Affairs. But, as my Subject called me to speak of *Merchant's Accounts*, chiefly, in that *Treatise*; and, as it was thought improper to render it too bulky, by adding Things which did not so immediately refer thereto, I omitted to give *Forms* therein, for conducting the Accounts relative to those Sort of Gentlemen just mentioned, and chose rather to publish them in a little Tract together, styled the *Art of Book-keeping made easy to the Young and Unexperienced*.

Agreeably to which *Title*, this Tract begins with *Forms* of Accounts, setting forth how the *Youth* of both Sexes may keep an Account, by way of *DR.* and *CR.* of what Money they may receive from their Relations, and lay out for their own private Concerns; as the best Method of giving them (at first) proper Ideas of the Nature of *Book-keeping*; and this I have likewise applied to the Concerns of Servants of both Sexes likewise. I then proceed one Step farther, and give *Apprentices* and *Servants*, also, *Forms* for not only keeping Account of their own Money,

## The P R E F A C E.

Money, but of what they may disburse for their *Principals* also ; and not only shew them how it must be done by way of Dr. and Cr. but by *double Parties* also, in a very plain, easy, and concise Method, without the Use of any *Journal* at all. I then give *Forms* to shew how to apply the same Method to the Concerns of *Owners of Estates, Stewards, and Rent-gatherers*. And, lastly, I give *Forms* also, to shew how it may be applied to the Concerns of *Warehousemen, Shopkeepers, and others*, without making use of a *Merchant's Journal* at all. From all which it appears to be a little Tract, which all but *MERCHANTS* ought to bind up with the *Complete System*, as a Supplement to it.

I have been thought by some, to have treated Mr. *Webster*, and his *Essay* with too little Ceremony ; especially as, say they, it was intended only to introduce Youth into Business : But the Answer hereto is plain. For, in the *first* place, it is the Duty of every Member of a Community to set the Public right, whenever any wrong Notions are palmed upon them to their Prejudice ; and, *secondly*, it is evidently of the utmost ill Consequence, that Youth should be grounded in any *Art or Science* at first, on wrong Principles.

As to the rest, I am ready to believe that Mr. *Webster* published his *Essay* with a good Design, and fully persuaded that he furnished his Countrymen with what was of real Value ; and this being the Case, he ought to be look'd on, in some sort, with Respect. For all *Arts and Sciences* are *progressive*, and not only in greater Perfection in one Country than another ; but often travel from one to the other in such a manner, as that they have been carried to a higher Degree of Improvement there, where they were once less known, than where they excelled before. An Instance of this we have in the *Art of Penmanship* : For within my Remembrance the *Hollander* excelled us greatly in that respect, as well as *Book-keeping* ; whereas at present this Metropolis furnishes us with such excellent *PRACTITIONERS* in that *Art*, as not only vastly excell any of their Performances ; but do Honour to their Country, as being *imitable*. And, it will give me much Pleasure, if they come to excell them as much in the *Art of Book-keeping* also : For tho' a *fine Hand* is very valuable in *Trade*, yet the *True Knowledge of Accounts* is greatly to be preferred, as plainly appears from what I have been advancing above.

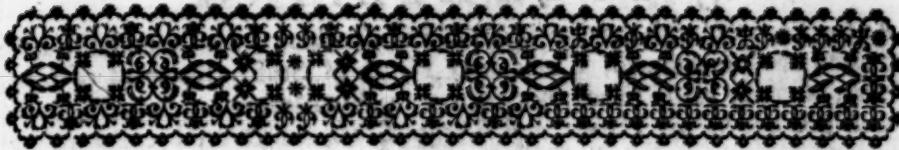
## A D V E R T I S E M E N T.

**M**MR. *LONDON*, the Author of this Treatise, assists Gentlemen in going through a Course of *Book-keeping*, according to his *Complete System* of that *Art*; Merchants in forming and conducting their Books of Account on the best Plan, as practised in the first Counting Houses at *Amsterdam* ; and the Proprietors of *Estates, Stewards and Rent-gatherers, Warehousemen, Shopkeepers, and others*, in forming and conducting their Books of Account also, by *DOUBLE PARTIES*, in a short and easy Manner, without the Use of a *Merchant's Form of a Journal* at all.

He likewise states and settles *Accounts* of any Kind, for those who want it.

Any Messages left or directed for him, at Mr. *JAMES'S* Pamphlet Shop, at the South Entrance of the *Royal Exchange*, in *Cornhill*, will come to his Hands, and be observed.

Of



## Of BOOK-KEEPING.

**B**OOK-KEEPING is an Art, which gives People who have any Dealings in the World, a Knowledge of the true State of their Affairs and Circumstances, for the better Regulation of their Conduct, in pursuit of their Interests.

Of all the Methods of *Book-keeping* which have hitherto prevailed, that called the **ITALIAN** is the most to be preferred; for it being carried on by double Parties, all the Articles which relate to every Transaction in Trade, are thereby conducted in a plain, distinct, and uninterrupted Manner, like the Links of a Chain that is whole and unbroken: Every Article in Trade that comes to be negotiated, having a **CREDITOR** belonging to it, as well as a **DEBTOR**; and on the other hand a **DEBTOR**, as well as a **CREDITOR**; a **DEBTOR**, which hath respect to the *last* Alteration, which had been made in regard to any Article negotiated; and a **CREDITOR**, which hath respect in like manner to the *next* that comes to take Place. Which Circumstance, absolutely necessary for the *keeping of Books* in a regular manner, all other Methods are deficient in.

To illustrate what I have said by Example: Let us suppose, that I **JOHN JAMES** being in Trade, have Occasion to borrow *One Hundred Pounds* for a Month, in order to buy a Bargain. By this means *I* come to have more Money in my Custody than I had before, and *He*, supposed to be **JAMES JOHNSON**, who lent it me hath less. In Consequence hereof, *Account of Cash* ought to be made **DEBTOR** upon *my Books* for the Sum which is come into my Hands: And at the same Time *Account of Cash* ought to be **CREDITED** upon *bis Books* for so much gone from him\*.

On the other hand, after I have repaid the Money to the Person who lent it me, there remains a lesser Sum in *my Custody* than there was before; and *He* on the contrary hath more. In consequence whereof, *I* ought to enter the Sum of Money disbursed by me, to the **CREDIT** of *Account of Cash* on *my Books*, which had been made **DEBTOR** for it before, and *He* on the other hand ought to make *Account of Cash* **DEBTOR** for it on *bis Books*, because of its being come into his Custody again\*. So that here is a manifest and strict Connection between the Books of the Person from whom I received the Money and my own, in regard to the Affair transacted between us.

And as the Books of a Person in Trade have a Connection with those of other Persons, in respect to any Affairs that may at any Time be transacted between them; so they have as strict a Connection with the different Accounts, which may have been formed upon his own Books.

\* These Cases are stated on the Wast Book, Journal and Ledger, which stand on Page 8, 9, 10.

## Of BOOK-KEEPING.

As for Example, with the *One Hundred Pounds* which I am supposed to have borrowed abovementioned, I buy *Sixty Pieces of Stuffs*, supposed of *Henry Walker*, and pay ready Money for them ; by this Means *One Hundred Pounds* in *Cash* goe out of my Hands, and *Woollen Goods*, which are become my own *Property*, come into my Possession. In Consequence whereof, *Account of Woollen Goods* (an Account which stands, or ought on this Occasion to be raised on my Books of Account) must be made **DEBTOR One Hundred Pounds** for the Cost of the said *Sixty Pieces of Stuffs*, and *Account of Cash* must be made **CREDITOR** at the same time for that *Sum*, so much having been paid for them \*.

On the other hand, before the Time expires for which I had borrowed the Sum abovementioned, I find an Opportunity of selling the said *Sixty Pieces of Stuffs* which I had bought with it, for *One Hundred and Five Pounds* ready Money, supposed to *John Brown* ; in which Case *Account of Cash* ought to be made **DEBTOR**, for the Sum which is come into my Hands ; and *Account of Woollen Goods* ought at the same time to be made **CREDITOR**, for the Produce of the said *Sixty Pieces*, which are gone from me. And as to the *Five Pounds*, which remains over and above the Ballance of the said *Account of Woollens* on the **CREDITOR Side**, because of the Profit which I acquired by buying and selling the said *Sixty Pieces*, That Account ought to be made **DEBTOR** for it, in order to ballance and shut it up, as the Affair is quite finished ; and *Account of Profit and Loss* ought at the same Time to be made **CREDITOR** for it, as it is so much Money *gained* by this Transaction. And upon ballancing all the Accounts which stand open upon a Merchant's Books (which ought to be always done when his old ones come to be full, or may be done at any other Time that he thinks fit) this *Profit*, together with all the rest of his *Gains*, must be ingrafted into his *Capital or Stock* : Which is done by making *Profit and Loss DEBTOR*, for the said *Sum or Sums so gained*, and *Capital or Stock Creditor* for the same, and by this Means all Affairs relating to that Circumstance also will be brought to a Conclusion \*.

But here it is necessary to observe, in order the better to comprehend what I have been saying, that *all Things*, whether it be *Money*, or whether it be *Mercandize*, or *Effects* of any other Kind whatever, which come into a Merchant's Hands, ought always to be entered upon an Account raised for that Purpose, upon Books of Account, with a fit Title placed at its Head, on the Side of the **DEBTOR**. And on the other hand, all Things which go out of his Possession, must be always entered on the Side of the **CREDITOR** : For all the Accounts, of which I have been speaking, must be formed respectively upon *two Leaves* of a Book of Account for *each*, the Leaves *facing* one another. And upon the Leaf which is on the *Left Hand*, must be set the Title of the Account abovementioned, wrote in *large Characters* with the Letters *DR.* signifying **DEBTOR**, at the outermost End of the said Title upon the *Right Side* of it : And upon the opposite Leaf at the *Right Hand*, must be wrote those *Latin Words*, *PER CONTRA*, in Characters of the same Size as the Title, which Words signify in *English*, *ON THE OTHER HAND* ; and at the End of the said Words, as far as one can go on the *Right Side*, must be wrote also the Letters *CR.* The Signification of all which is none other than this, that the Account, the Title of which stood on the *Left Hand Leaf* or *Side*,

\* These Cases are stated on the *Waste Book*, *Journal*, and *Leidger* aforesaid, also.

## Of BOOK-KEEPING.

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Side, a Side which is appropriated for every Thing which is to be made DEBTOR, is on the *Per Contra*, or on the *Right Hand Side*, which stands facing it, to be made CREDITOR, for every Thing which comes under that Denomination; that Side being appropriated for this Purpose, as the opposite, was for the other: That so by comparing one of those Sides with its *Fellow*, it might always appear how the *Bal ance* of the Account stands; as also the true State of the Affairs relating thereto, from *first* to *last*. All which will be further explained, when I come to set down the *Form* it self of the *Book* in Question, as I shall do by and by. A *Book*, which is called the LEIDGER, from the Latin Word LEGO, to gather, or collect together: It being the chief Book made use of by a Merchant to collect and state all his Accounts upon, whether they relate to those several Persons with whom he hath any Dealings, or to these different Kinds of Merchandise in which he trades.

It must likewise be remarked here, that not *any one Account* whatever ought to be made CREDITOR on Books of Account, for any Effects of any Kind, before some other Account hath been made DEBTOR for them; or in other Words, *some other Account*, or *Accounts*, must be always charged with all the Effects which have been entered on Books of Account, when any Alteration in respect of Property comes to be made relating thereto, before *any other Account*, or *Accounts*, on which it may have been put, ought to be discharged from them; so that *some certain Account*, or *Accounts*, or *other*, must always remain answerable, either for these Effects themselves, or for the Products of them.

To these Observations, give me leave to add another, namely, that no sooner do Effects of any Kind either become a Merchant's *Property*, or go out of his *Possession*, than they ought to be entered to Book accordingly; contrary to the Practice of *some*, who imagine that they ought not to make their Correspondents CREDITORS for Bills of Exchange, &c. received from them, till they become due, and have actually entered into *Cash*: Whereas it ought to be done provisionally.

In order to give Instructions for keeping Books after the *Italian Method*, it is necessary to make use of three Books, viz. A Memorial or Waste-Book, a Journal, and a Leidger. This Leidger is the Book to which all that I have been saying hitherto relates, when I have been speaking of Books of Account. Now the Use of these Books is as follows.

In the MEMORIAL, or WASTE-BOOK, all the Transactions which are done in Trade every Day ought to be set down, together with all the Particulars relating thereto, in a plain, easy, and familiar Style, serving only to give a Description of the Affair that hath been negotiated, just in the manner it happened.

To shew the Method of which, the following Article, (an Article that hath been already spoken of) may serve for an Example.

I John James of London, Merchant, having Sixty Pieces of Stuff in my Hands on the 10 April, 1748. sold them to John Brown for One Hundred and Five Pounds ready Money. In this Case it must be entered on the Waste-Book, in the following Manner.

The

## Of BOOK-KEEPING.

*The Form of a MEMORIAL, or WASTE-BOOK.*

Thursday, 10 April, 1748.

/ Sold and delivered to John Brown of Cornhill, this Day, 60  
Pieces of Stuff, for which he hath paid me ready Money 105

Upon this Book, you may observe *four* Lines are drawn through the Length of it; *three* of which, namely, those on the *Right Hand* Side of the Leaf, are put to serve for *Columns*, in which the *Pounds*, *Shillings*, and *Pence* relating to the Article transacted, is to be set; and the other Column at the *Left Hand*, and in the *Margin*, serves for the putting a *Mark* therein, to signify that the said Article hath been posted from thence into the *Journal*. A *Mark* which, as you may see above, is made thus /.

In the *JOURNAL*, the Transactions which may have been entered upon the *Waste-Book*, ought to be once more transcribed, though in a quite different Style; that is to say, by way of *DEBTOR* and *CREDITOR*. The Method of which, I shall shew by the following *Example*: An *Example* that relates to the Article already spoken of.

*The Form of the JOURNAL. London, 1748.*

1	Account of Cash DR. to Account of Woollen Goods,
2	£105. 0. 0. the 10th April, per so much received of John Brown for 60 Pieces of Stuff sold and de- livered him for ready Money — — — — — 105

Upon

*The Form of the LEDGER.*

## Account of Cash.

DR.

1748	To Account of Woollen Goods, per received of John April 10 Brown for 60 Pieces of Stuff sold him this Day — 1 105
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# OF LIBRARY-KEEPING.

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Upon this Book, you may observe, there are five Lines drawn at Length also; three of which, namely, those on the Right Side of the Leaf, are put to serve for Columns, in which the Pounds, Shillings, and Pence, relating to the Article transacted is to be set, in like manner as upon the *Waite-Book*, and the other Column at the Left Hand, serves for setting down the Folios of the *Leidger*, on which all the Accounts that are said on the *Journal* to be DEBTORS and CREDITORS, stand; the *Folio* of that Account which is DEBTOR, being always placed uppermost, and that of the CREDITOR under it, parted one from the other by a Line drawn between them. As for Example; in the Instance here given, it is supposed that *Account of Cash* stands on the *LEIDGER*, *Folio 1*; and that *Account of Woollen Goods* stands on *Folio 2*. For it is fit to remark here, that I suppose in this Treatise (for Reasons that are obvious) that *Account of Cash* is kept upon the *Leidger*, and not upon a Book distinct from it, called the *Cash-Book*; a Book from whence all the Articles which come upon it may be posted into the *Leidger*, to the several Accounts to which they belong, without ever coming upon the *Journal* at all. Which Method of Proceeding I shall explain hereafter.

It must be also remarked, that the Titles of the several Accounts upon the *Journals*, which are made **DEBTORS** and **CREDITORS**, in entering Transactions of Affairs thereon, must be wrote in Characters *larger* than any of the rest of the Writing relating to it, in like manner as is specified above.

In the **LEIDGER**, the Transactions which were put into a proper Form by way of **DEBTOR** and **CREDITOR**, on the *Journal* as aforesaid, must be posted to Accounts formed thereon, in the manner of which I have already spoken above; every Article coming to be brought from thence to its own peculiar Account, whether it be to the **DEBTOR**, or to the **CREDITOR** Side of it. For Illustration whereof, the following Instance may serve for an *Example*.

## **Per Contra.** C.R.

and dollar value and to the recognized importance of industrial and technical students. The first meeting was held at the University of Michigan on April 1, 1921, and the second at the University of Illinois on April 2, 1922.

## Account of Woollen Goods.

DR.

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Upon this Book you may observe, that *two Leaves of Paper*; the *one facing the other*, are allowed for *each Account*, as I have already mentioned above. You see also, that the Title of the Account is wrote on the *Left Hand Leaf* or Folio, together with the Letters DR. in large Characters; and that on the *Right Hand Leaf*, the Words *Per Contra* are wrote, together with the Letters CR. in large Characters also, agreeably to what hath been already said above.

Further, upon this Book, on each of the Leaves of every Account, there are *five Lines drawn at Length*, the same Number as upon the *Journal*, though in a different manner from it; *four of which Lines are set on the Right Hand, and one on the Left*, forming so many *Columns*. Of these, the *three Lines on the Right Hand*, forming the *three Columns* nearest to the outermost Part of the Leaf, serve for a Place where the *Sums of Money* belonging to each Article are to be entered, and the *fourth* to set down the *Folio's of the Journal*, from whence each of them hath been posted, or transcribed: And as for the *Column on the Left Hand of the Leaf, or in the Margin*, that serves to set down the *Day and the Year* in which the *Affair relating to each Article was transacted*. As for *Example*, it was supposed in respect of *Time*, that the Transactions here in question, was done the *10th of April, 1748*; and in respect of the *Folios upon the Journal*, that it stood on *Folio 1*. As to the *Utility* of setting down the *Folios* abovementioned, as well upon the *Leidger*, as the *Journal*, it is *two fold*. For, in the *first Place*, it serves as a *Mark* to shew that the Article in question has been posted to *the one, or from the other*; and in *the next*, to point out the very *Folio* it stands upon, in order that any Article in question might be turned to *occasionally*, from the *one Book to the other* with the *greatest Readiness*, and without *any Hesitation*.

Now, when Books are kept in such a manner as I have been speaking of, a *Merchant* can always see what is become of any of his *Effects*, which had been at any Time in his *Custody*: As here in the *Instance* above spoken of, he finds that his *Sixty Pieces of Stuffs*, are to be found in *Specie* among the rest of his *Cash*.

From what I have been saying it is easy to see, that the *Use of the MEMORIAL, or WASTE-BOOK in a Counting-House*, might be dispensed with by a Person who is well versed in *Book-keeping*: For such an one is capable of entering any Article that occurs, upon the *Journal* directly, without writing it upon the *Waste-Book* at all. The very Name which this Book bears, imports, indeed,

# Of BOOK-KEEPING.

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Per Contra.

CR. 2

1748

April 10 By Account of *Cash*, per received of *John Brown* for  
60 Pieces *Stuff's* sold him this Day —————— 1 105

indeed, *as much*; it serving only to disburthen the Memory of *Transactions*, which, though they are set down thereon just for the *present*, and in *baste*, ought to have no more *Regard* paid them after they have been *transcribed* into the *JOURNAL* (a Word signifying a *Diary*, or *Day-Book*, and so called, because the *Transactions* of *every Day* ought to be *daily* entered thereon in a proper manner) than if they had been wrote on *Waste Bits of Paper*, instead of a *Book*.

Thence it appears also, that the *LEIDGER* is nothing but a Transcript from the *JOURNAL*: All *Transactions* in *Trade* being stated on this *latter Book*, just in the manner as they ought to be brought on that *first mentioned*, whether it be on the Side of the *DEBTOR*, or of the *CREDITOR*; and consequently, the chief *Difficulty* in keeping *Books* after the *Italian Method* consists in stating the *Articles* rightly upon the *JOURNAL*.

Now in order to overcome this *Difficulty*, six *Things* ought to be attended to, as follows;

*First*, the *DEBTOR* of any *Article* that is to be entered thereon.

*Secondly*, the *CREDITOR* belonging to the same.

*Thirdly*, the *SUM OF MONEY* relating to it.

*Fourthly*, the *Time* in which the *Affair* was transacted.

*Fifthly*, the *QUANTITY*, and the *QUALITY* of the *Goods* or *Effects* in question.

*Sixtly*, the *CONDITIONS* of the *AGREEMENT* made in that respect.

As for *Example*, suppose that I sold and delivered to *John Brown* Sixty *Pieces of Stuffs*, for which he paid me down in *ready Money*, One Hundred and Five *Pounds*, agreeably to what hath been already set forth above. In this *Cafe*, *Cash* is the *DEBTOR*; *Account of Woollens* is the *CREDITOR*; the *SUM OF MONEY* is One Hundred and Five *Pounds*; the *TIME* is the 10th of April, 1748; the *QUANTITY OF GOODS* is Sixty *Pieces*; the *QUALITY* is *Stuffs*; and the *CONDITIONS OF AGREEMENT* are *ready Money*.

From hence it appears, that if a Person who takes upon him to keep *Books*, doth but take due Notice of the *Kinds*, or *Sorts* of *Goods* or *Effects*, which come *into*, and *go out of* a *Merchant's Custody* and *Possession*, and of the *Persons* who are interested in them, together with the *Nature* of that *Interest*, in respect of all the *Articles* which come to be entered upon the *Journal*, every *Difficulty* relating to their *Entry* will soon be conquered by *Practice*.

Here

## Of BOOK-KEEPING

Here follows a Specimen of the WASTE-BOOK exemplifying the Cases mentioned on Pages 1 and 2.

	Saturday, 25 August, 1750.	
//	Borrowed and received of <i>James Johnson</i> to be repaid him with Interest at 5 per Cent. per Ann. — — —	100
//	Bought and received of <i>Henry Walker</i> 60 Pieces Woollen Stuffs, and paid him in ready Money — — —	100
	Monday, 27 ditto.	
//	Sold and delivered to <i>John Brown</i> 60 Pieces Woollen Stuffs, and received ready Money for them — — —	105
//	Paid to <i>James Johnson</i> , and he refuseth any Interest for it — — — — —	100
//	I have gained on a Parcel of Woollen Stuffs sold <i>J. Brown</i> 5	

There are two Marks in the Margin of the Waste-Book; one of which made thus /, signifies that the Article is posted into the Journal; and the other, put to make it double, that it hath been examined; both to be set down, the one as soon as posted, and the other as soon as examined.

Here follows a Specimen of the LEDGER, exemplifying the

1750	Cash.	DR.		
Aug. 25	To <i>James Johnson</i> per so much borrowed and received of him, to be paid in 1 M. with Interest, at 5 per Ct. per Ann. — — —	I. 100		
	To Woollens per so much received of <i>J. Brown</i> for 60 Ps. Stuffs sold and delivered him — — —	I. 105		

1750	<i>James Johnson.</i>	DR.		
Aug. 27	To Cash per so much paid him in full — — —	I. 100		

Here

# Of BOOK-KEEPING.

9

Here follows a Specimen of the JOURNAL, exemplifying the Cases on the WASTE-BOOK aforesaid. London, Anno 1750.

1.	<i>Cash Dr. to James Johnson £ 100. o. o. the 25th Aug.</i>						
2.	<i>per so much borrowed and received of him, to be repaid in 1 M. with Interest, at 5 per Cent. per Ann.</i>	—	—	—	—	100	
3.	<i>Woollens Dr. to Cash. £ 100. o. o. the 25 Aug. per so much paid H. Walker for 60 Ps. Stuffs bought and received of him</i>	—	—	—	—	100	
1.	<i>Cash Dr. to Woollens £ 105. o. o. the 27 Aug. per so much received of J. Brown for 60 Ps. Stuffs sold and delivered him</i>	—	—	—	—	105	
2.	<i>James Johnson Dr. to Cash £ 100. o. o. the 27 Aug. per so much paid him in full</i>	—	—	—	—	100	
3.	<i>Woollens Dr. to Profit and Loss £ 5. o. o. the 27 Aug. per so much gained on a Parcel of Stuffs sold J. Brown</i>	—	—	—	—	5	
1.	<i>Profit and Loss Dr. to Stock £ 5. o. o. 27 Aug. per so much added to my Capital by Gains on a Parcel of Stuffs sold J. Brown</i>	—	—	—	—	5	
6.	<i>Ballance Dr. to Cash £ 5. o. o. the 27 Aug. per so much remaining in hand</i>	—	—	—	—	5	
1.	<i>Stock Dr. to Ballance £ 5. o. o. the 27 Aug. per so much added to my Capital</i>	—	—	—	—	5	
5.							
6.							

Cases on the WASTE-BOOK and JOURNAL aforesaid.

1750	Per Contra.	CR.		
Aug. 25	By Woollens per so much paid H. Walker for 60 Ps. Stuffs bought and received of him	—	i.	100
27	By James Johnson per so much paid him in full By Ballance per so much remaining in hand	—	i.	100
		—	i.	5
				105

1750	Per Contra.	CR.		
Aug. 25	By Cash per so much borrowed and received of him to be repaid in 1 M. with Interest, at 5 per Ct. per Ann.	—	i.	100

D

Here

The Two Points to each Folio of the Leidger set on the Journal, one on each Side, signifies, that on the Left, that the Article hath been examined with the Waste-Book; and that on the Right, with the Leidger: Both to be put at the Time of the Examination.

## Of BOOK-KEEPING.

Here continues the Specimen

Woollens.				DR.
1750				
Aug. 25	To Cash per so much paid H. Walker for 60 Ps. Stuffs bought and received of him	—	—	.1. 100
27	To Profit and Loss per so much gained on a Parcel sold J. Brown	—	—	.1. 5 105
Profit and Loss.				DR.
1750				
Aug. 27	To Stock per so much added to my Capital gained on a Parcel of Stuffs sold J. Brown	—	—	.1. 5
Stock or Capital.				DR.
1750				
Aug. 27	To Ballance per so much added to my Capital	—	.1.	5
Ballance.				DR.
1750				
Aug. 27	To Cash per so much remaining in hand	—	—	.1. 5

N. B. There are two Points set to each Folio of the Journal, as it stands on the Leidger, one on each side of them; one of which is put to denote, that each Article hath been examined with the Journal; and the other, that it hath been compared with the Per Contra Article, placed to some other Account of the Leidger, in consequence of the Affair having been conducted by double Parties; both to be put at the Time of either examining or comparing it.

# Of BOOK-KEEPING.

pp

of the LEIDGER aforesaid.

	Per Contra.	Cr. 3
1750 Aug. 27	By Cash per so much received of J. Brown for 60 Ps. Stuffs sold and delivered him —	.1. 105
	Per Contra.	Cr. 4
1750 Aug. 27	By Woollens per so much gained on a Parcel sold J. Brown — — — — .1. 5	
	Per Contra.	Cr. 5
1750 Aug. 27	By Profit and Loss per so much added to my Capital gained on a Parcel of Stuffs sold J. Brown — .1. 5	
	Per Contra.	Cr. 6
1750 Aug. 27	By Stock per so much added to my Capital — .1. 5	

From

## Of BOOK-KEEPING.

From what I have been saying it appears, that the Rules for Book-keeping, (as I asserted) may be learned in a few Minutes, and retained afterwards without burthening the Memory, as they are only these six, *viz.*

1st, Every Article transacted in Trade, when it comes to be entered on the Journal, must have a Debtor, or be made Dr. to some other certain Account or Accounts.

2dly, Every Article aforesaid must have a Creditor also, or be made Cr. to some other certain Account or Accounts.

3dly, The Sum of Money belonging to every Article transacted must be set down next in course.

4thly, The Time when the Affair was transacted follows.

5thly, The Quality and Quantity of the Goods or Effects to which the Transaction relates, comes next to be taken Notice of and set down. And,

6thly, The Conditions of the Agreement made in that respect, if any, completes the whole; for sometimes it happens that the Case doth not admit of it.

And in order to find the proper Dr. and Cr. of every Article transacted, it needs only to be remembered, that whatever comes into a Person's Custody must be made Dr. and whatever goes out of it must be made Cr. All which having been illustrated by Examples, set forth in the Specimens of the Waste-Book, Journal, and Leidger just treated of; and it appearing plainly also, that it requireth but little Time to transcribe them properly, I have only to proceed to take notice of another Method used in stating Articles on the Journal, whenever it happens that more than one Transaction belonging to one and the same Account, hath taken place in one and the same Day; of which I shall give the following Examples, *viz.*

A Specimen of the Waste-Book, when more than one Transaction belonging to the same Account hath taken place in one and the same Day.

<i>Tuesday, 28 Aug. 1750</i>		
/ I have bought and received of <i>John Strang</i> 100 Ps. Stuffs, <i>Woollens</i> , for which I am to pay in 1 M. amount to as per Bill of Parcels	—	200
/ I have bought and received of <i>James Long</i> 200 Ps. Long Ells, <i>Woollens</i> , for which I am to pay in 3 Ms. amount to as per Bill of Parcels	—	300
<i>Thursday, 30 ditto.</i>		
/ I have sold to <i>Robt. White</i> 50 Ps. Stuffs, for which he is to pay me in 2 Ms.	—	106
/ I have sold to <i>John Thomas</i> 100 Ps. Lo. Ells, for which he is to pay me in 4 Ms.	—	148

In such Instances as these, either *sundry Accounts* must be made Dr. to *some certain Account or other*; or *some certain Account or other* must be made Dr. to *sundry Accounts*, as I shall exemplify on the following Specimen of a Journal, *viz.*

# Of BOOK-KEEPING.

13

A Specimen of the Journal in the Cases aforesaid. London, Anno 1750.

	1   Woollens Dr. to sundry Accounts £ 500. o. o the 28 Aug. per 300 Ps. bought and received, as under, viz.	1
	2   To John Strang per 100 Ps. Stuffs, to pay in 1 M. — £ 200.	
	3   To James Long per 200 Ps. Lo. Ells ditto in 3 Ms. — 300. 300 Ps.	500
	<hr/>	
	Sundry Accounts Dr. to Woollens £ 354. o. o. the 30 Aug. as under, viz.	
	4   Robert White per 50 Ps. Stuffs sold him, to pay in 2 Ms. £ 106.	
	5   John Thomas per 100 Ps. Lo. Ells ditto, in 4 Ms. — 148. 150 Ps.	254
1		

A Specimen of the Leidger in the Cases aforesaid.

	Woollens.	Dr.
1750		
Aug. 28	To sundry Accounts per 300 Ps. bought and received as per Waste-Book — — —	1   500
	<hr/>	
	Per Contra.	Cr. 1
1750		
Aug. 30	By Robt. White per 50 Ps. Stuffs sold him, to pay in 2 Ms. £ 106. By John Thomas per 100 Ps. Lo. Ells ditto, to pay in 4 Ms. 148.	1   254

Note, The Per Contra Side of the Account of Woollens is set down here under the Dr. Side of it, for Convenience of Printing, instead of standing opposite to it, as it ought to have done: A Liberty which will be taken for the future occasionally.

1750	John Strang.	Cr.	2
Aug. 28	By Woollens per 100 Ps. Stuffs bought of him, to pay in 1 M. — — —	1   200	
1750	James Long.	Cr.	3
Aug. 28	By Woollens per 200 Ps. Lo. Ells bought of him, to pay in 3 Ms. — — —	1   300	
1750	Robert White.	Dr.	4
Aug. 30	To Woollens per 50 Ps. Stuffs sold him, to pay in 2 Ms. — — —	1   106	
1750	John Thomas.	Dr.	5
Aug. 30	To Woollens per 100 Ps. Lo. Ells sold him, to pay in 4 Ms. — — —	1   148	

Note here, That the Folio of the Dr. is still continued to be put uppermost on the Journal, and that of the Cr. undermost, according to the former Directions, tho' there be some Difference in the manner of doing it here from the former Specimen of the Journal; which Method must be observed: There is likewise a little Difference, as well in stating on the Journal, as in posting on the Leidger, the Dr. and Cr. Side of Account of Woollens; either of which may be used indiscriminately; tho' I prefer the latter, because it appears upon the Leidger at the first View, without turning to the Journal for a Fuller Examination.

## Of BOOK-KEEPING.

All Merchants keep their Books in the current Coin of the Country in which they are resident, set down in the Lines or Columns, which I observed above, are destined for it. But in case a Merchant sends Merchandizes into foreign Countries to be sold for his Account, then the Account relating to the Sale of the said Goods, must be kept upon his Books in the current Coin of those Countries in which they are sold, setting down the Sums of foreign Coin relating to the Affair in Lines or Columns drawn for that Purpose, close adjoining to the Lines or the Column which I mentioned above, to be designed to put the Folios of the Journal in, but more to the Left-hand than they. And at the same Time he must keep the said Account also, in the Coin of his own Country in which the said Goods, even though bought in a foreign Country, must have been paid for; and in which the neat Proceeds of them must have been remitted after their Sale, though the Remissee was purchased with foreign Specie. The Amount of which Coin, namely, that of his own Country, must be set down in the Lines or Columns first spoken of, that by means of the one, the Sums of Money may appear, which the Person who sold the Goods may have remitted short of their neat Proceeds; and that by means of the other, the Person whose Property they are, may see whether he either gained or lost by the Adventure.

As for Example; suppose that I *John James*, consigned *Hans Van Daelen* Merchant, in *Rotterdam*, sixty Pieces of Stuffs, which cost, all Charges on board, *One Hundred and Five Pounds Sterling*, to be sold for my Account; that the neat Proceeds of them when sold amount to *Twelve Hundred Guilders*; and that he remits me the said Sum, *Exchange*, at  $36-4$ , making *One Hundred and Ten Pounds, One Shilling and Tenpence Sterling*. In this Case the Account relating to this Transaction will stand on my Waste-Book, Journal and Leidger as follows, *viz.*

A Specimen of the LEIDGER, when a Merchant Mercha. consigned Hans Van Daelen of Rotterdam for my Account. DR.

1750					
April 10	To Woollens per 1 Bale Vn°. 1. qt. 60 Ps. Stuffs consigned him per Capt. Hall		—	1	105
Sept. 10	To Profit and Loss per gained on this Adventure		—	1	10

Woollens.

DR.

Note, The Per Contra Woollens are supposed to have been in Hand, bought some time before sent abroad.

The

# Of BOOK-KEEPING.

15

The Waste-Book—Monday, 10 April, 1750.

I have consigned 1 Bale Vn°. 1. qt. 60 Ps. Stuffs to Hans Van Daelen, of Rotterdam, per Capt. Hall, to be sold for my Account, and Risque amount to first Cost

105

Tuesday, 10 June.

Hans Van Daelen writes me by Letter, dated the 7th Inst. that he hath sold my Bale Vn°. 1. qt. 60 Ps. Stuffs as per Account Sales amount to 1200. Guilders, to pay in 3 Ms. remitted me afterwards at 36—4, making

110 110

Wednesday, 10 Sept.

Hans Van Daelen hath remitted me a Bill of Exchange on H. Pot, dated 7 Sept. at 2 Usos for 1200 Guilders, at 36—4, amounts to

110 110

I have gained by the Adventure consigned Hans Van Daelen for my Account

5 110

The Journal—London, Anno 1750.

1 Mercha. consigned Hans Van Daelen for my Account Dr. to Woollens £ 105. o. o. the 10 April per Vn°. 1. qt. 60 Ps. Stuffs consigned him per Capt. Hall, to sell for my Account, &c.

105

3 Hans Van Daelen my Account Dr. to Mercha. consigned Hans Van Daelen £ 110. 1. 10. the 10 June, per the neat Proceeds of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs sent him per Capt. Hall, amount to 1200 Guilders remitted afterwards, at 36—4, making

110 110

4 Bills of Exchange Dr. to Hans Van Daelen my Account £ 110. 1. 10. the 10 Sept. per Remise on H. Pot, dated 7 Sept. at 2 Usos for 1200 Guilders, at 36—4, amount to

110 110

1 Mercha. consigned Hans Van Daelen for my Account Dr. to profit and Loss £ 5. 1. 10. the 10th Sept. per so much gained by the Adventure consigned him

5 110

sends Goods abroad to be sold for his Account.

	Per Contra.	CR.	Guilders.		1
1750 June 10	By Hans Van Daelen my Account per the neat Proceeds of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs sent him per Capt. Hall, a mount to		1200. 0. 0.	1 110	110

	Per Contra.	CR.		2
1750 April 10	By Mercha. consigned Hans Van Daelen for my Account, per 1 Bale Vn°. 1. qt. 60 Ps. Stuffs per Capt. Hall		105	

The

The LEIDGER continued.

*Hans Van Daelen of Rotterdam my Account.*

DR.

1750	To Mercha. consigned <i>Hans Van Daelen</i> per the neat Proceeds of 1 Bale Vn°. 1. qt. 60 Ps Stuffs sent him per <i>Capt. Hall</i> , amount to — — — —	Guilders.	1200.	0.	0.	1	110	110

*Bills of Exchange remitted me.*

DR.

1750	To <i>Hans Van Daelen</i> my Account, per Remise on <i>H. Pot</i> , dated 7 Sept. for 1200 Guilders, at 36—4, amount to — — — —	1	110	110

*Profit and Loss.*

DR.


By this Method, the Proprietor of the Goods sent abroad for Sales can see, at one View, the prime Cost of what he adventures; which, in the Instance just given, is *One Hundred and Five Pounds*; their neat Produce in *Holland*, namely, 1200 *Guilders*; the Sum in *Sterling Money* which those *Guilders* made, namely, *One Hundred and Ten Pounds One Shilling and Tenpence*; and lastly, the Profit which accrued by this Transaction, namely, *Five Pounds, One Shilling and Tenpence*.

But here it must be noted, that in the Cases of which I have been just treating, the Articles of the *Sterling Money* must necessarily be left blank on the *Waste-Book*, *Journal*, and *Leidger*, till it be known how much the *Foreign Money*, relating thereto, produced; and then it must be filled up after a Medium, if it hath been remitted in different Rates of *Exchange*.

The

# Of BOOK-KEEPING.

17

## The LEIDGER continued.

	Per Contra.	Cr.	3
1750 Sept. 10	By Bills of Exchange per Remisse on H. Pot, dated 7 Sept. at 36—4	Guilders.	1200. 0. 0. 1 110 110
<hr/>			
	Per Contra.	Cr.	4
<hr/>			
	Per Contra.	Cr.	5
1750 Sept. 10	By Mercha. consigned <i>Hans Van Daelen</i> , per so much gained by that Adventure	— — —	1 5 110
<hr/>			

Having thus shewn how a Merchant's Accounts stand on his Wast-Book, Journal, and Leidger, who sends Merchandise abroad to be sold for his Account; I shall now set to View how his Factor's Account must stand on his Leidger also, supposing that *Hans Van Daelen* above mentioned is the Correspondent to whom the Goods were consigned for Sale; and *John James*, Merchant in *London*, was the Proprietor who sent them abroad for that Purpose.

F

The

## Of BOOK-KEEPING.

The Forms of Accounts as they stand upon the Leidger of a Merchant or Factor  
Merch<sup>a</sup>. received from *John James of London* to sell for his Acc<sup>c</sup>. DR.

1750		Dutch.
June 10	To Cash per paid for Freight, &c. of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs per Capt. <i>Hall</i> —	74
Sept. 10	To Pro. and Loss per my Commission on 1300 Guilders, at 2 per Ct. —	26
	To <i>John James</i> his Account per the neat Proceeds of said Goods sold for —	1200
		1300

*John James of London* his Account.

1748		Dutch.
Sept. 7	To Cash per paid J. <i>Vos</i> for his Bill on <i>H. Pot</i> , dated this Day for £ 110. 1. 10. Sterling, at 36-4, making	1200

By this Method also, the Factor by whom any Goods are received for Sale, can see at one View the Disbursements which he hath laid out on Account thereof, which, in the Instance just given, amount to *seventy-four Guilders*; the Name of the Person to whom they were sold, namely, *J. De Wael*; the Sum of Money which he is to receive for them, namely, *thirteen hundred Guilders*; and the Manner of his remitting it, namely, by his Bill of Exchange on *H. Pot*.

Here we may likewise observe again, the Connection which subsists between the Books of a Merchant and those of his Correspondent (a Connection of which I have already spoken.) For Mercha. consigned to *Hans Van Daelen*, will, by comparing Things together, be found to agree with Mercha. received from *J. James*; and *Hans Van Daelen* my Account, with *John James* his Account, as these Accounts stand on their respective Books. Agreeably hereto,

the

The Form of Accounts as they stand on the Leidger of a Merch<sup>t</sup>. who sends Goods abroad  
Mercha. consigned *Hans Van Daelen* on our joint Acc<sup>c</sup>. half each, DR.

1750		Dutch.
April 10	To Woollens per prime Cost of and Charges on 1 Bale Vn°. 1. qt. 60 Ps. Stuffs per Capt. <i>Hall</i> —	105
June 10	To Profit and Loss per gained by this Adventure for my half Share —	2 1 E
		107 11

1750	Hans Van Daelen his Account. DR.	
April 10	To Woollen Goods per his half of the Bale Vn°. 1. sent by Capt. <i>Hall</i> for our joint Account —	52 10
	To Profit and Loss per my Commission thereon —	1 1
		53 11

# Of BOOK-KEEPING.

19

who receives Goods from abroad, to sell for Account of his Correspondent.

Per Contra.

CR.

1750	June 10	By J. De Wael per 60 Ps. Stuffs sold him, to pay in 3 Ms. amount to	Dutcb.
			1300

Per Contra.

CR.

1750	June 10	By Mercha. received from J. James per the neat Pro- ceeds of 1. Bale Vn°. 1. qt. 60 Ps. Stuffs. per Capt. Hall, sold for his Account	Dutcb.
			1200

the *Merchant or Factor*, who receives any Goods into his Custody to sell for Account of his Correspondent, must always, after he hath completed the Affair committed to his Care, send an Abstract of his Accounts relating to it, under the Title of *Account Sales* and *Account Current* to the *Proprietor* of them. As on the other hand, *He*, the said *Proprietor*, furnished his *Factor* at his sending away the Goods at first with an Abstract of his Books, by giving him an *Invoice* of them.

If a Merchant sends Goods into a foreign Country, to be sold for the joint Account of the *Correspondent* to whom he sends them and of *himself*, to say *half each*, or *a quarter* Part the one, and *three quarter* Parts the other, or divided into any other Shares whatever between them; in that Case, the Account of the Person who sends the Goods, will stand upon his Leidger stated as follows, *viz.*

to his Correspondent, half for his own Acc<sup>t</sup>: for Sale, and half for the Acc<sup>t</sup>: of his Friend, *viz.*

Per Contra.

CR.

1750	April 10	By Hans Van Daelen his Account per his half of the Bale Vn°. 1. sent by Capt. Hall for our joint Account	Dutcb.
			52 10
1750	June 10	By Hans Van Daelen my Account, per my half of the neat Proceeds of the Bale Vn°. 1. sold by him	600. 0. 0.
			55 1
			107 11

Per Contra.

CR.

1750	April 15	By Cash per my Draught on him in favour of Ab. Ja- cobs, dated this Day	53 11

## Of BOOK-KEEPING.

The Form of the Accounts aforesaid

*Hans Van Daelen my Account.*

DR.

1750	Jane 10	To Mercha. consigned <i>Hans Van Daelen</i> per my half of the neat Proceeds of the Bale Vn°. 1. sent by Capt. <i>Hall</i> for our joint Account	Dutch.	600. 0. 0	55	1
------	---------	--	--------	-----------	----	---

In this Instance you may observe, that there are two separate Accounts kept under the Name of *H. Van Daelen*, the Person who is supposed here to have received the Goods in question, distinguished by the different Titles of *his Account* and *my Account*; one of which Accounts, namely, *Hans Van Daelen HIS Account* must be kept on the Books of *John James*, the supposed Adventurer of the Goods, in Sterling Money, because they were bought in, or at least paid for in that Specie, that being the current Coin of the Nation in which the said *James*, the Purchaser of them, was resident, and consequently the Coin in which the said *Van Daelen* was to discharge the Debt, which he had contracted for that Part of the Goods which had been sent him for his Account: And the other of these Accounts, namely, *Hans Van Daelen MY Account* must be kept on the Books of the said *James*, in *Dutch Money*, as well as in *Sterling*: In *Dutch*, because that the whole Parcel of Goods sent by *James* to *Van Daelen*, and consequently that Part of them which went for his own Account, were sold to be paid for in that *Specie*, that being the current Coin of the Nation, in which the said *Van Daelen*, the Seller of them, was resident: And in *Sterling* also, because tho' *Van Daelen* sold the said Goods in *Dutch Money*, and consequently was to account with *James*, in that Specie for the neat Proceeds of his Part of them, yet he must necessarily remit him in *Sterling* for Payment thereof; that being the current Coin of the Nation in which *James* was resident; as mentioned above: For tho' a Bill of Exchange on *London* is bought in *Holland*

The Form of Accounts as they stand on a Merchant's Leidger who receives Goods from  
Acc<sup>t</sup>. of Merch<sup>a</sup>. rec<sup>d</sup>. from *John James* upon our joint Acc<sup>t</sup>. half each. DR.

1750	April 10	To <i>J. James</i> my Account per my half of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs by Capt. <i>Hall</i>	Sterling.	53. 11. 0	583	13	8
	May 2	To Cash per paid Capt. <i>Hall</i> for Freight, &c. of ditto		—	—	74	
		To Pro. and Loss per my Commission on <i>J. James</i> 's half of 1300 Guilders, at 2 per Ct.		—	—	13	
		To <i>John James</i> his Account per his half of the neat Proceeds hereof		—	—	600	
		To Pro. and Loss per gained by this Adventure		—	—	1270	13
				—	—	29	8
				—	—	1300	0

*John James of London my Account.*

DR.

1750	June 15	To Cash per paid his Draught in favour of <i>Ab. Jacobs</i> , dated 10 April, at 36—4	Sterling.	53. 11. 0	583	13	8
				on			

# Of BOOK-KEEPING.

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on the LEIDGER continued.

	Per Contra.	CR.
1750 Sept. 10	By Bills of Exchange per Remisse on T. Jones for £ 55. i. o. Ster. at 36—4 dated the 7th Inst. at 2 Uso	Dutch. 500. 0. 0      55 1

*Holland* with Dutch Money, yet it must be paid in *Sterling* when due ; all Payments in *England* being made in *Sterling* Money, and abroad in the current Specie of the Country in which they are made.

On the other hand, *Hans Van Daelen* of *Rotterdam*, must also keep two separate Accounts on his Books, under the Name of *John James*, the Person who purchased and sent the Goods in question abroad, distinguished by the different Titles of *John James* MY Account, and *John James* HIS Account ; one of which Accounts, namely, *John James* MY Account, will be found to have an exact Harmony and Connexion with *Hans Van Daelen* HIS Account, as stated above on *James's* Books, and must be kept on said *Van Daelen's* Books in *Sterling* Money, because the Goods aforementioned, one half of which were sent for the said *Van Daelen's* Account, were bought and charged him by *James* in that Specie, and consequently are to be paid for in the same, as hath been already observed : And the other of the Accounts, namely, *John James* HIS Account, will be likewise found to have an exact Harmony and Connexion with *Hans Van Daelen* MY Account, as stated above on *James's* Books ; and must be kept on the said *Van Daelen's* Books in Dutch Money, because all the Goods in question were sold by him in that Specie, and consequently one half of them being for Account of the said *James*, the neat Proceeds thereof must be accounted for with him in that Coin : All which is set forth by the following Example.

his Correspondent ; half for his own Account, and half for Account of his Friend for Sale.

	Per Contra.	CR.
1750 May 10	By J. De Wasl per 60 Ps. Stuffs sold him, to pay in 3 Ms. —	Dutch. 1300

	Per Contra.	CR.
1750 April 10	By Mercha. received from J. James per my half of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs sent for our joint Account	Sterling 53. 11. 0      583 13. 8 Dutch. John

John James of London HIS Account.

DR.

1750		Dutch.
Sept. 10	To Cash — per paid J. Vos for his Bill on T. Jones, dated this Day for £55. 1. 0. Sterling a 36 4 d. remitting him	600

By these Forms it appears, agreeably to what hath been said heretofore, that as *Hans Van Daelen HIS Account*, stands Dr. on *John James his Books Fifty Three Pounds, Eleven Shillings*, for the half of *Sixty Pieces of Stuffs*, sent for Account of the said *Van Daelen* and himself; so *John James MY Account*, stands Cr. on *Hans Van Daelen's Books, Fifty Three Pounds, Eleven Shillings*, for his said half of those *Sixty Pieces received from the said James* as aforesaid. And on the other hand, as *Hans Van Daelen MY Account*, stands Dr. on *John James his Books for Six Hundred Guilders* for the neat Proceeds of his half of *Sixty Pieces of Stuffs sold by him*, for the said *James's Account*; so *John James HIS Account*, stands Cr. on *Hans Van Daelen's Books Six Hundred Guilders*, for the neat Proceeds aforesaid. And further, as *Merch<sup>r</sup>. consigned to Hans Van Daelen* stands Dr. *One Hundred and Five Pounds*, for the Cost of *Sixty Pieces on James's Books*; so *Merch<sup>r</sup>. received from John James on Van Daelen's Books* stands Cr. *Thirteen Hundred Guilders* for what the said *Sixty Pieces sold for*.

Now the manner of making out the *neat Proceeds of the Sixty Pieces sold as abovementioned*, by means of the Accounts relating thereto, and of settling the *Ballances of them*, is done as follows. The whole *Amount of the said Goods*, as sold *J. de Wael*, appears to be *Thirteen Hundred Guilders*, out of which deduct the Money paid for *Freight*, which is *Seventy Four Guilders*, and the Commission for selling them *Twenty Six Guilders*, being in all *One Hundred Guilders*, and deducted from the said *Thirteen Hundred Guilders*, leaves *Twelve Hundred* for the *neat Proceeds*: Half of which *neat Proceeds* belonging to *John James*, being *Six Hundred Guilders*, is placed to Account in Conformity. On the other hand, *Hans Van Daelen's* half of the said Goods appears to have cost him *£53. 11. Sterling*, for which he paid *Five Hundred Eighty Three Guilders, Thirteen Shillings and Eight Pennings*, the Bill which *John James* drew on him to *Ab. Jacobs* having stood him in that Money; to which Sum *Seventy Four Guilders* paid for *Freight*; *Thirteen Guilders* charged for *Commission* on *John James's Part of the Goods sold De Wael*; and *Six Hundred Guilders* for the

# Of BOOK-KEEPING.

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**Per Contra.**

**CR. 12**

1748	Dutch.
June 10 By Account of Merch <sup>r</sup> . received from John James per his half of the neat Proceeds of 1 Bale Vn° 1. qt. 60 Pieces per Capt. Hall	600 0

the *neat Proceeds* of the same being added, the whole Sum amounts to *Twelve Hundred and Seventy Guilders, Thirteen Stivers and Eight Pennings*, and leaves for *Ballance* of the *Thirteen Hundred Guilders* above-mentioned, *Twenty-nine Guilders, Six Stivers and Eight Pennings*, which *Ballance*, together with the *Thirteen Guilders* charged for Commission for Sale of *James's half*, is what *Hans Van Daelen* gains by this Adventure, being in all *Forty-two Guilders, Six Stivers and Eight Pennings Dutch Money*, as may be seen by the said *Van Daelen's Account*. And on the other hand, it appears also, that *John James* gained by his half of the Goods, which he sent for Sale *Two Pounds Eleven Shillings*, and *One Pound One Shilling* for his Commission on the other half, sent for *Hans Van Daelen's Account*, being in all *Three Pounds Twelve Shillings Sterling*, as may be seen by the said *James's Account*. Now, as for the Propriety of stiling these Accounts in question, *Hans Van Daelen MY Account*, and *Hans Van Daelen HIS Account*, and *vice versa*, nothing can be more expressive of the State of the Case in question than those Titles, as they distinguish so fitly between the Transactions which are carried on, either for a Merchant's own Account, or for those of his Correspondent.

I have thus gone thro' with the Theory of Book-keeping, and the Method of reducing it into Practice by stating, posting, examining, and balancing Accounts, taken from those few short and plain Rules aforementioned as I proposed: Rules but little known before my Publication thereof. And as the Method of keeping Account of one and the same Article or Transaction in Trade, in two different Species of Money, namely, *domestic* and *foreign*, so absolutely necessary for conducting Books of Account in certain Cases, is so very much at present in the Dark also, as to be quite unknown to our *British Schoolmasters*, which appears not only from the Tracts which they publish from time to time, but from the Forms by which they instruct their Pupils in their respective Schools, many of which have come to my Perusal; and at the same time but little practised even in Merchant's Counting Houses, as I have been assured by several *Mercants* themselves, as well as *Book-keepers*, hinted at before in my *Preface*, I have taken the more Pains above to set this Matter in the clearest Light possible, and therefore dwelt the longer on the Subject: A Subject which may be still further illustrated, by setting down the Method

## Of BOOK-KEEPING.

taught by Mr. Webster in his *Essay on Book-keeping*, of journalizing the like Cases, by way of Contrast to what I have said on that Subject, the better to demonstrate the real intrinsic Value of the one, and the Want of Worth in the other; as the superlative Qualities of Diamonds never appear so much to Advantage, as when exhibited to View and compared with false Stones. But here I would not be understood to insinuate, as if it is impossible to keep Books of Account at all after the *Italian Method*, unless one used those very Rules which I have offered to the Public, without any Deviation from them: No, by no Means; there are others that may be laid down for that Purpose, some more prolix, intricate, and, in other respects, less perfect than others; what I have to demonstrate here is, that Mr. Webster was quite ignorant of what he pretended to in the main, and upon the whole.

Accordingly

Voyage to Barbadoes *.	DR.
To sundry Accounts as per Journal	186 0 0
To Cash paid Premium for £200 Insurance	10 0 0
To Profit and Loss gained	54 0 0
	250 0 0

\* If he had said Merch<sup>ts</sup>. consigned to Peter Careful for my Account, it would have been a fitter Title for this Account.

Now in stating the Account in this manner, there is not only a great Error, but a Complication of Errors. For first, Mr. Webster supposeth by so doing, that twenty Shillings Sterling is no more than twenty Shillings of Barbadoes Money, which being false, how can he make Fifty-four Pounds to be gained by the Adventure? The Goods of the Adventure were bought in Sterling Money, amounting with the Premium, to One Hundred Ninety-six Pounds, as appears from the Article as it stands on Mr. Webster's Waste-Book, p. 17. And it is no less evident from p. 20. that the Returns amounted to Two Hundred and Fifty Pounds Barbadoes, that being the Sum which it is said, those Returns cost there (Peter Careful's Charges thereon being added to it) as per the Invoice; how then can a Balance be made in this Case, unless the Barbadoes Money had been first reduced into Sterling Money? By so doing the CREDITOR Side of the Account would have consisted of the same Species as the DEBTOR, and if that had been done there would have been Money lost by the Adventure, instead of Fifty-four Pounds being gained by it.

Besides, in stating the Case as Mr. Webster has done, there is not that Connexion preserved between his own Books, and those of his Correspondent, in entering

Accordingly I shall observe in the first Place, that he is guilty of a most notorious *Error* in stating a *Cafe* of the same Kind, as that which I treated of in Pages 14. and 15. of these Sheets, namely, of a *Merchant* who sends Goods abroad to a *Factor* to be sold for his Account. For Mr. Webster supposeth Page 17 of his *Waite-book*, that he, being a Merchant in *England*, consigneth *Peter Careful* of *Barbadoes*, sundry Goods amounting to *One Hundred and Ninety-six Pounds Sterling*, to be sold for his, the said *Webster's* Account, ordering at the same time Returns to be made him in *Goods*, the Product of that *Island*; a Transaction which he states in the following Manner, Page 6 of his *Leidger*.

Per Contra.	CR.
By Voyage from Barbadoes * for Returns	250 0 0

\* If he had said *Merch<sup>a</sup>*. consigned to me by *Peter Careful* for my Account, it would have been a fitter Title for that Account also.

tering this *Transaction* to Book, as upon the *Fundamental Principles* of this Kind of Book-keeping ought to have been done, agreeably to what I have set forth in this Treatise.

In order to have stated this Matter right, Mr. Webster should, after having at first setting out, made *Voyage to Barbadoes DEBTOR* for the Amount of his Goods adventured, to the proper Persons or *Accounts* as it was requisite, have made *Peter Careful my Account DEBTOR, to the Voyage aforesaid*, for the *neat Proceeds* of the laid Adventure in *Barbadoes Money*, as soon as he had received Account Sales thereof, as those Account Sales must have been made out in the *Currency* of that Island; because of its being the *Specie* in which the said *Careful* must have transacted all his *Affairs*, and kept his *Books*, in Case the Fact here supposed had been *real*: And this Money when it had been reduced by *Webster* into *Sterling*, according to the *Course of Exchange*, would have shewn either the *Profit*, or the *Loss* accruing by the Affair in question.

On the other hand, *Voyage from Barbadoes*, an Account stated by Mr. Webster, p. 8: (or, *Merchandise consigned me by Peter Careful for my Account*, which would have been a fitter Title) ought to have been made *DEBTOR* to *Peter Careful*

## Of BOOK-KEEPING

Careful my Account for the Cost of, and Charges on the Sugars, &c. sent to England in return. And if that had been done, all the Transactions relating to this Affair would have appeared in a clear Light, and at the same time the Connexion between Mr. Webster's Books, and those of Peter Careful would have been strict and regular. For there would have been shewn by that means, how much the Goods which had been adventured to BARBADOES cost; how much they produced in BARBADOES Money; how much Value that Sum was Sterling; how much was gained, or lost by it; and how the Returns were made. And

*Voyage to Barbadoes, or* — — — — — }  
*Merchandise consigned to Peter Careful of Bar-* } DR.  
*badoes for my Account*

	Sterling.
To sundry Accounts, per Cost and Charges of a Parcel of Goods per the Swift, Capt. Thompson, amount to as per Invoice Book	186 0 0
To Cash — per paid J. Evans for a Premium for £200. insured thereon	10 0 0
	196 0 0

Peter Careful my Account. DR.

	Barbadoes.	Sterling.
To Mercha. consigned him for my Account, per the neat Proceeds of these Goods	250 0 0	190 0 0
To Ballance due to him	8 0 0	2 6 1 7
	258 0 0	196 1 7

## Of BOOK-KEEPING.

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And on the other hand, *Voyage from England*, or (which is a fitter Title than that) *Mercha. consigned me by William Webster for his Account*, on *Careful's Books*, would have had a Connection with *Voyage to Barbadoes* on *Mr. Webster's Books*, and *William Webster his Account on Careful's Books*, would have had the like Connection with *Peter Careful my Account* on the said *Webster's Books*, according to the following Examples, where these Cases are properly stated.

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Per Contra.	Cr.
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	Barbadoes.	Sterling.
By Peter Careful my Account, per the neat Proceeds of these Goods as per Account Sales received	250 0 0	190 0 0
By Profit and Loss per lost by this Adventure	—	6 0 0
	<hr/>	<hr/>
	196 0 0	

Note, This Calculation is made, supposing £.100. *Barbadoes* to be £.76. *Sterling*, which is about the usual Difference in the Value of these Species.

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Per Contra.	Cr.
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	Barbadoes.	Sterling.
By Mercha. consigned me by him, per Cost and Charges of a Parcel of Goods per the <i>Swift</i> , Capt. <i>Thompson</i> , amount to as per <i>Invoice</i>	258 0 0	196 1 7
	<hr/>	<hr/>

*Voyage*

## Of BOOK-KEEPING.

*Voyage from Barbadoes, or*  
*Merch<sup>a</sup>. consigned me by Peter Careful of Barbadoes,* } DR.  
*for my Account*

	Barbadoes.	Sterling.
To Peter Careful my Account, per Cost and Charges of a Parcel of Goods, per the <i>Swift</i> , Capt. <i>Thompson</i> , amount to as per <i>Invoice</i>	258 0 0	196 1 7

The above shews the true State of this Case on Mr. Webster's Books;

*Voyage from England, or*  
*Merch<sup>a</sup>. consigned me by William Webster for* } DR.  
*bis Account*

	Barbadoes.
To Cash —— per paid for Freight, &c. (Suppose we say)	10 0 0
To Profit and Loss — per my Commission a 4 per Cent.	10 14 0
To William Webster his Account, per the neat Proceeds of these Goods	250 0 0
	270 14 0

William Webster his Account. DR:

	Barbadoes.
To Thomas Swift, per the Cost of a Parcel of Goods consigned him per the <i>Swift</i> , Capt. <i>Thompson</i> , as per Invoice Book amount to	250 0 0
To Profit and Loss per my Commission thereon	8 0 0
	258 0 0

## **OF BOOK-KEEPING.**

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**Per Contra.**

the following shews the true State of it, on *Peter Careful's Books.*

Per Contra.	CR.
By Thomas Swift * per sold him the Goods of this Adventure	Barbadoes. 270 14 0

Per Contra.	CR.
	<i>Barbadoes.</i>
By Mercha, consigned me by William Webster, per the neat Proceeds of a Parcel of Goods, per the Swift, Capt. Thompson sold Tho. Swift	<span style="border-right: 1px solid black; padding-right: 10px;"></span> 250 0 0 <span style="border-right: 1px solid black; padding-right: 10px;"></span> 8 0 0 <span style="border-right: 1px solid black; padding-right: 10px;"></span> <hr style="border-top: 1px solid black; margin-top: 5px;"/> 258 0 0
By Ballance due to me	<span style="border-right: 1px solid black; padding-right: 10px;"></span> <span style="border-right: 1px solid black; padding-right: 10px;"></span> <span style="border-right: 1px solid black; padding-right: 10px;"></span>

## Of BOOK-KEEPING.

Upon the whole it appears from the above, that Six Pounds Sterling were actually lost by the Voyage to Barbadoes, instead of Fifty-four Pounds having been gained by it, as Mr. Webster made it out by his Manner of Book-keeping. — Now as his Method of conducting Affairs appears to be so very faulty, it may

The Manner of Mr. Webster's having conducted the Accounts of Leidger, as they

## Voyage to Barbadoes.

Dr.

To sundry Accounts as per Journal	186	0	0
To Cash paid Premium for £ 200 Insurance	10	0	0
To Profit and Loss gain'd	54	0	0
	250	0	0

## Voyage from Barbadoes.

Dr.

To sundry Accounts as per Journal	258	0	0
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may not be amiss to transcribe and *subjoin* here, his manner of stating the Cases above-mentioned, in order to satisfy any of my Readers, who may not have an Opportunity of seeing his *Essay*, that I have not misrepresented the Matter.

*Voyage to Barbadoes, and Voyage from Barbadoes, taken from his*  
Folio 6 and 8.

Per Contra.	Cr.
By Voyage from Barbadoes for Returns	250 0 0

By Voyage from Barbadoes for Returns	250 0 0
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Per Contra.	Cr.
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Note. The Articles which Mr. Webster sets down in his Leidger upon this Account, relating to the Arrival of these Goods in England, and their Sales, are not here taken Notice of, as being out of the question in hand.	250 0 0
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## Peter Careful his Account Current.

Dr.

To Ballance due to him	8	0	0
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Now let the Reader compare this Method of Mr. Webster's, with the manner in which I have stated the same Cases above, and judge between us.

Mr. Webster hath made some other egregious Mistakes, in stating the Accounts relating to the Returns, supposed to have been made him by Peter Careful, for the *neat Proceeds* of his Adventure; Returns which are said to consist of Sugar and Tamarinds, amounting to Two Hundred and Fifty Pounds the first Cost, which Sum, with Eight Pounds due to the said Careful for Charges thereon, makes in all Two Hundred and Fifty-eight Pounds. For, he not only supposeth that the Money of Barbadoes wherewith the said Sugar, &c. was bought, and which he disbursed for Charges thereon, to be of equal Value to Sterling, as he had done in the Case before spoken of, but he makes Peter Careful HIS ACCOUNT, CREDITOR for the said Charges, though it is very plain that the Dealings between Webster and Careful, were not carried on for Careful's Account, but Webster's; and consequently, if that Article ought to have been entered on Webster's Book, Peter Careful MY ACCOUNT, should have been made CREDITOR for it. But no such Article as that ought to have appeared on Mr. Webster's Books at all, and he ought to have known that the Amount of all Disbursements on any Merchandise, which are at any time sent by a Factor for Account of a Merchant, are to be included in one and the same Article with the first Cost thereof, when he comes to make his said Factor CREDITOR for them upon his Books, in Conformity with the Invoice, with which he had been furnished. Consequently, in the Case of which I am speaking, Voyage from Barbadoes ought to have been made DEBTOR to Peter Careful my Account, Two Hundred and Fifty-eight Pounds, for Cost of and Charges on the Sugars and Tamarinds, supposing that Sterling and Barbadoes Money was of equal Value, as Mr. Webster doth; and

Per Contra.	CR.
By Voyage from Barbadoes for Charges	—      —      8    0    0

and by so doing, *Eight Pounds* would have remained due to the said *Careful* for Ballance of Account, in regard to the Affair which had been negotiated as aforesaid, not for *Peter Careful HIS ACCOUNT*, as Mr. Webster hath erroneously stated it, but for *MY ACCOUNT*: i. e. for Account of the *Merchant* to whom the Effects belong, supposed here to be the said *Webster*. A Circumstance which I have specified in the Examples above mentioned.

In the Instances just spoken of, Mr. Webster is deficient in not having formed Accounts enough, but in another Case, he gives Rules for forming such as are superfluous, irregular, and absurd: As for Example.

He supposeth P. 9. of his Leidger, that *F. Van Tromp* hath sent him some Hollands and Laces, to sell for his Account; and in that Case raises two Accounts for him, namely, *F. Van Tromp's Account Current*, and *F. Van Tromp's Account of Time*: Whereas the whole Transaction should have been put on one Account only, under neither of these Titles, but of *F. Van Tromp DR. Per Contra CR.* And then Matters would have appeared in a very clear and simple Light; whereas what he has done is not only superfluous, but intricate, perplex'd, and unintelligible.

This Case I shall state properly on the next Leaves, in order to make out what I have advanced on that Head, and proceed here to take notice of another Case, of somewhat the like Nature, executed after the same manner, which stands on P. 11, where he sets down Cousin *Kind's Account Current*, and Cousin *Kind's Account in C°.*: whereas he should not have made two Accounts on that Occasion, but one only, namely, Cousin *Kind DR. Per Contra CR.* This Case I shall state on the next Leaves also. After the same manner he states some other Accounts likewise, particularly P. 12, 13, equally absurd and irregular; but they being of the very same Nature, as those of Cousin *Kind*, they don't require any particular Illustration.

## Of BOOK-KEEPING.

MERCH<sup>2</sup>. received from F. VAN TROMP for his Account.

DR.

<sup>1752</sup>	Sept. 12	To Cash per paid for Charges on Lace and Linen consigned me	108	0	0
	23	To Pro. and Los <sup>s</sup> per my Commission on £1498. o. o. at 2½ per Ct.	37	9	0
		To F. Van Tromp his Account per the neat Proceeds of this Adventure	1352	11	0
			1498	0	0

FRANCIS VAN TROMP his Account.

DR.

<sup>1752</sup>	Oct. 1.	To Bills of Exchange drawn on me per his Bill to J. Emerson, accepted at 10 Ds. Sight	52	10	0
	Nov. 1.	To sundry Accounts per 3 Bales Bays sent him per the Sailwell by his Orders	171	0	7½
		To Ballance per £429. 5. 4½ in my Hands, and £700. o. o. in the Hands of E. Johnson, to be paid 18 Dec.	223	10	7½
			1129	5	4½
			1352	16	0

Ship BONAVENTURE in C°. with Cousin KIND.

DR.

<sup>1752</sup>	Nov. 20	To the Owners per the first Cost of that Ship, to be paid in 6 Ds.	700	0	
	Dec. 3	To Cash - - - per paid my Share of the Repairs	18	5	
			718	5	

Cousin KIND.

DR.

<sup>1752</sup>	Nov. 20	To the Ship Bonaventure per his half of the first Cost of said Ship, to pay in 6 Ds.	350		
		To Cash - - - per paid his Share of the Repairs thereof	18	5	

The abovementioned Accounts stand stated on Mr. Webster's Leidger, under the Titles of, *Goods for Account of F. Van Tromp*, *Van Tromp's Account Current*, and *Van Tromp's Account of Time*: *Ship Bonad. in Co. with Cousin Kind*, *Kind's Account Current*, and *Kind's Account in Co.* on Pages 9, 10, 11, to which I refer any of my Readers, who may think fit to compare them, with what I have here said on that Subject.

Thus have I set forth in a true Light, the principal *Errors*, *Defects*, and *Superfluities* which appear in Mr. Webster's Essay on Book-keeping, that has, notwithstanding, undergone no less than twelve numerous Impressions; which can be owing to nothing, but to that Art's being so very little understood among us; for had it been well known, it is scarce possible that so ill executed a Performance, could have met with any Countenance at all.

I shall forbear entering into Particulars, as to the Tracts of other Writers upon the Subject, the *Public* having always, as I observed in my *Preface*, given the Preference to that of Mr. Webster, ever since its first Appearance. And, indeed, but little regard ought to be paid to any of them, as none of them ever found Fault with Mr. Webster's Essay, for want of knowing better them-

	Per Contra.	CR.
1752 Sept. 18	By E. Johnson and Co. per 40 Ps. Hollands sold him, to pay in 3 Ms. — — — —	700
23	By Cash - - - per received for 560 Yds. Lace — — —	798
		<u>1498</u>

	Per Contra.	CR.
1752 Sept. 23	By Mercha. received from F. Van Tromp per the neat Proceeds of that Adventure — — — —	1352 11
Oct. 10	By T. Millington per Abatement on his Bill for dying — —	5
		<u>1352 16</u>

	Per Contra.	CR
Nov. 20	By Cousin Kind per his half of the first Cost of said Ship — —	350 0
Jan. 10	By Pro. and Loss per my Loss on said Ship, it being blown up and quite destroyed — — — —	368 5
		<u>718 5</u>

	Per Contra.	CR.
1752 Nov. 23	By Cash per received of him — — — —	350
	By Ballance due to me — — — —	18 5

themselves : The great Success which he met with, seeming to be the only Inducement for others to appear in Print also, in hopes of coming in for a Share of it.

Having now prepared those who would study, and make themselves Proficients in the *Art of Book-keeping* sufficiently, for going through the *practical* Part of it, which cannot be accomplished without Use and Application, any more in this *Science*, than in all others, as I have already observed ; I must refer myself further, to the *Second Part* of my *Complete System* : where will be found the *Form* of an *Inventory* to begin with, and the *Plan* of a regular Course of *Book-keeping* to proceed upon, formed on the Rules before spoken of, containing the Transactions of six Months Trade ; so well contrived, as that it gives *Examples* of every manner, in which a *Merchant* can carry on Commerce at all : Which Manners it may not be improper to enumerate here, before I conclude.

*Trade or Commerce*, may be carried on by a *Merchant* under different *Circumstances*, and the Affairs relating to it, may be transacted in different *Ways*: as, In

In the first Place, a MERCHANT may carry on Business upon his own Stock and Bottom, without having any other Person to share with him, in either his Profit, or his Loss, or in the Direction of his Affairs.

Secondly, a MERCHANT may carry on Business in Partnership with some other Person or Persons, who is, or are to share with him in both his Profit and his Loss, and in the Direction of his Affairs, according to Engagements entered into between them: Engagements, which are wont to be entered into for the Duration of some certain Number of Years; and Engagements also, which may relate to either the whole Extent of the Trade and Business of a Merchant, or to some particular Branch of it only. That is to say, a Merchant may have two or more Branches of Business at once, and have at the same Time a separate Partner, or separate Partners in each of them: or have a Partner or Partners, as to one of them or more; and have no Partner at all as to the other, or the rest of them. Or else a Merchant's Partnership may possibly extend no further, than an Adventure made in respect of some particular Voyage, or the Purchase of some certain Parcel or Parcels of Goods, either entered upon, or purchased on Occasion upon a joint Account: Nor last any longer than till such time as the Affair is compleated.

Thirdly, a Merchant may carry on Business, by negotiating Affairs for some other Person or Persons, as his, her, or their Factor: or, on the other hand, he may employ a Factor, or Factors, to negotiate Affairs for him. In both which Cases, the Affairs which are transacted, are not under the immediate Care of the Principals, or Owners of the Goods in question, but are committed to the Management of Agents, no way concerned in their Property.—Or else a Merchant may negotiate Affairs as a Factor, in respect of Merchandise, in which he hath some certain Share and Property too; and consequently act in a double Capacity in that regard, namely, as both a Factor and Proprietor.

If a Merchant engages in Business upon his own Stock and Bottom, without having any other Person to share with him, in either his Profit, or his Loss, or in the Direction of his Affairs, he must, at his first Entrance thereon, make out an Inventory of all his Effects, or Estates, both real and personal; which being done, he must make Account of Stock DR. for them on his JOURNAL; and sundry Accounts (that is to say, some certain Accounts to be raised upon the LEIDGER, under Titles proper to distinguish every Article of his Effects and Estates by) must at the same time be made CR. for them, in order to their being posted, each to the Account to which they belong, that by means of such an Inventory, and of the Articles belonging thereto, being brought upon their respective Accounts, he may be always able to see the Produce of each Article of his Effects; and whenever he hath a mind to make up his Books, which most Merchants are wont to do every Year, whether his Capital or Stock increaseth or diminisheth by the Trade which he drives; Account of Stock being to continue upon his Books, from first to last, i. e. from the Time of a Merchant's first Entrance on Trade, to his final leaving it off.

If a Merchant engages in Partnership with some other Person, or Persons, each of the Parties so engaged, must put in some certain Sums of Money, or else Effects to some certain Value, in order to raise a Fund, wherewith to carry on their Trade; and Account of Cash, or an Account, or Accounts of the Article, or different Articles which have been so furnished, must be made DR. for

for the same; and the *Partner* who furnished the said *Cash*, or *Effects* must be made CR. for so much as he put in, upon *Books of Account*, which are to be in common to every *Partner*. But then each *Partner* ought to keep the Account of his own *Capital* or *Stock*, of which I have been speaking above, upon some *private Books of Account* belonging to himself alone; upon which he must likewise keep an *Account* of the *Money*, or *Effects* furnished by him for the *Fund*, by which his Trade in *Partnership* is carried on, together with whatever *Accounts* besides, he may find to be necessary to give him a true State of all his Affairs, as well in *particular*, as in *general*.

If a *Merchant* is engaged in more Branches of Business than one, and hath a *Partner*, or *Partners* in one Branch, who is, or who are no wise concerned with the *Partner*, or *Partners* which he may have in another, or other Branches, or which he enjoys by himself; then in such a Case, *separate Funds* must be raised for carrying on each Business, by the *Partners* belonging thereto, or the *Pri-  
prietor* thereof, and *separate Books of Accounts* must be kept in regard to the Affairs transacted by each distinct Company, or Party.

But if the *Partnership* which a *Merchant* engages in, regards only an *Ad-  
venture* made on some certain *Voyage*, or the *Purchase* of some certain *Parcel  
of Goods* on a *joint Account*, with some other *Merchant*, or *Mercants*, who have some certain *Share*, or *Shares* therein, as well as himself; then in such a Case, *Account of the Voyage* which had been so undertaken, or *Account of those  
Merchandises* which had been so purchased, must be made DR. for the *Share* or *Part* which he hath therein, and *Cash*, or some other *Account*, or *Accounts* properly belonging thereto, must be made CR. for the *Sum or Value*, that had been furnished for his *Part*, and *Proportion* thereof.

*Lastly*, If a *Merchant* negotiates Affairs for some other *Person*, or *Persons*, as *bis, ber, or their Factor*; or employs some certain *Factor*, or *Factors* to ne-  
gotiate Affairs for him; he must keep his *Accounts* in the manner as I have al-  
ready described, by the *Forms* given of the *Accounts* of *John James*, and of *Hans Van Daelen*, at the Time when one of them acts as a *Merchant*, and the other as a *Factor*.

And, as it is necessary for a *Merchant* to begin his Books with an *Inventory* of all his *Estate*, both *real* and *personal*, at his first setting out in *Trade*, as I have already observed; so he must always end his *Books* with an *Account of Balance*, serving to set down all the *Balances* of all his *Accounts* which stand open at the Time of his *beginning of new Books*: An *Account of Balance* which must be likewise made at any other Time whatever, that he settles his *Affairs*, and should think fit to continue the use of his *old Books*. These *Balances* must be placed either to the *DEBTOR* or *CREDITOR* of *Account of Balance* afore-  
said, so as that the *Accounts* to which they belong, may be *balanced* and *shut up*, by being made either *CREDITORS* or *DEBTORS* to the same. And, whenever a *Merchant* begins *new Books*, he must open them with bringing all the *Balances* of his *Accounts* which had been shut up, by placing them to *Account of Balance* upon his *old Books*, to the same *Accounts* again upon his *new*, just in the same manner, and under the same *Titles*, as they stood before they were so shut up; and this is to be done by making those *Accounts* on the *new Books*, either *DEBTOR* or *CREDITOR*, as the Case requires it, to *Account of Balance*, as standing on the *old Books*.

*Affairs in Trade* may be transacted in different ways, in another respect also; as for Example,

In the first Place, a Merchant may sell his Merchandise for ready Money, or for Bills of Exchange, which he can generally pay away again as Money, as soon as he receives them.

Secondly, a Merchant may sell his Merchandise upon Credit or Trust, in such a manner, as that instead of receiving ready Money for them, he agrees to wait some certain time for the Payment thereof.

Thirdly, a Merchant may sell his Merchandise by way of Barter, or Exchange; that is in other Words, the giving one Sort of Goods or more, in order to receive some other Sort or Sorts of Goods in return; or else, a Merchant may sell his Merchandise, either partly for Cash, and partly for Bills of Exchange, or any other Effects; or partly for Trust, or by way of Barter, and partly otherwise.

If a Merchant sells his Merchandise for ready Money, or for Bills of Exchange: in the first of those Cases, Account of Cash must be made DEBTOR for the Sum of Money which the Goods sold amounts to; and in the second, Account of Bills of Exchange must be made DEBTOR for the same. And on the other hand, Account of the Merchandise that was sold, must be made CREDITOR for them, because that either Cash, or Bills of Exchange come into the Merchant's Custody and Possession, instead of the Goods that go out of it.

If a Merchant sells his Merchandise to any Person upon Trust, or Credit: In that Case, the Person who buys the Goods must be made DEBTOR, and the Account, or Accounts of the Merchandise that were sold, must be made CREDITOR for them; because the Goods which he hath bought, and received into his Custody, become thenceforth his Property, which were mine before, and consequently his whole Capital, or all that he is worth, is become answerable for the Payment of it.

If a Merchant sells his Merchandise by way of Barter, or Exchange of some one, or more Sorts of Goods, against some other Sort or Sorts of Goods; in that Case, Account of those Goods which come into my Custody, by means of such Barter, or Exchange, must be made DEBTOR to Account of the Goods that go out of it. And if a Merchant sells his Merchandise partly for Cash, and partly for Bills of Exchange, or any other Effects, SUNDRY ACCOUNTS must be made DEBTOR for it, namely, Cash, for so much as he received in Money; and Bills of Exchange, for so much of it as he received in Paper; and Effects of any other Kind, for so much as the Effects received amount to. And the same Method must be taken, in Case he sells his Merchandise partly for Trust, or by way of Barter, and partly otherwise.

Having said thus much in regard of the Theory of Book-keeping, and illustrated the whole with proper Examples and Remarks, I must now refer my Readers, who may want further Information, to the Second Part of my Complete System, and to the Plan of Accounts, in respect of the carrying on a regular Commerce contained therein, not doubting but they will find full Satisfaction from thence; and shall now proceed to set forth the Method of keeping Account of Bank Stock, &c. illustrated with proper Examples, also.

# Manner of keeping Account of BANK, INDIA, SOUTH SEA, and other STOCKS,

A F T E R

## The ITALIAN METHOD of BOOK-KEEPING.

I SHALL enter on this Subject with observing, that the *Forms* for keeping the *Stocks* abovementioned, stand on the next Pages: Concerning which I shall remark here, that Account of *Cash*, the Sum of which in hand, I suppose to be *One Thousand Pounds*, according to a *Ballance* made up just before, is kept here on a *Cash Book*, and not brought on a *Journal*, such as Merchant's use at all; the Manner in which it was kept all along before, in treating of the Subject which I just concluded. A Circumstance this, which causes a very material Difference in conducting Books of Account; because all the Articles belonging to them, and particularly to those Accounts which I am now treating of, namely, *Bank, India, and South Sea Stock* are to be posted directly from the *Cash Book*, to their respective Accounts formed on the *Leidger*: And in Consequence thereof, as on the one hand, the Folios of those Accounts on the *Leidger* must be set on the *Cash Book*, opposite to every Article as soon as it is posted; so upon the other, the Folios of the *Cash Book* must in like manner be set against every Article posted to the *Leidger*. A Method which, as I have already hinted at, must always be observed in regard of all other Transactions, besides those relating to the *Stocks*, whenever Account of *Cash* is kept on a *Cash Book*, and not on the *Leidger*.

This was the Method, indeed, which Mr. Webster used in conducting the Set of Books contained in his *Essay* afore spoken of: For instead of making the Folios of his *Journal* and *Leidger* to refer to each other, as by the Rules of the *Italian Method of Book-keeping* they ought to have done, the Folios of the different Accounts on his *Leidger*, refer to the *Per Centra* Accounts relating thereto, respectively.

In conducting the *Forms* for keeping Account of the *Stocks* aforesaid, I have not set down the Charges attendant on transferring them from one Person to another, such as *Brokerage, &c.*; as they might be either placed to their respective Accounts of *Stock*, or else to Account of *Profit and Loss*. And here it must be observed likewise, that whenever the said Accounts come to be ballanced, it must be done by Account of *Profit and Loss* also, if any thing hath been either gained, or lost by the Transaction.

I have now nothing more to say, till we proceed to the *Forms* themselves, only to take Notice, that the *Lines* for keeping the *Capital Stock* on the *Bank* and *India* Accounts, are placed by the *Column* appointed to keep the Folios of the different Accounts in: Whereas those for keeping it on *South Sea Stock* Account, are placed otherwise. Now, as both of these Methods are strictly regular, they may be used according to every one's Will, indifferently.

The

## Of BOOK-KEEPING.

The Forms for keeping Bank, India, South Sea, or other

	C A S H.	D R.
1757 July 20	To Ballance, per so much rem <sup>d</sup> . in hand as by Acc <sup>t</sup> . settled this Day — — —	1000
Aug. 15	To Bank Stock, per so much rec <sup>d</sup> . of Edward Ellis for £300. Capital sold him at 121 per Ct. — — 2	363
16	To India Stock, per so much rec <sup>d</sup> . of Simon Swaart for £200. ditto sold him at 136 $\frac{1}{2}$ per Ct. — 3	273
17	To South Sea Stock, per so much rec <sup>d</sup> . of Tho. West for £100. ditto sold him at 100 per Ct. — 4	100

	B A N K   S T O C K.	D R.
1757 July 21	To Cash per so much paid Solomon Blanco for £300. Capital bought of him at 120 per Ct. — Capital 300 1	360

	I N D I A   S T O C K.	D R.
1757 July 22	To Cash per so much paid Robt. Biggs for £400. Capital bought of him at 134 per Ct. — — — Capital 400 1	536

	S O U T H   S E A   S T O C K.	D R.
1757 July 23	To Cash per so much p <sup>d</sup> . Joseph Hayes for 100 at 101 per Ct. b <sup>t</sup> . of him — Capital 100 1	101

# OF BOOK-KEEPING

41

Stocks after the Italian Method of Book-keeping.

	Per Contra.	Cr. 1
1757 July 21	By Bank Stock, per so much paid <i>Solomon Blanco</i> for £300. Capital bought of him at 120 per Ct. —	2 360
22	By Indis Stock, per so much paid <i>Robt. Biggs</i> for £400. ditto bought of him at 134 per Ct. —	3 536
23	By South Sea Stock, per so much paid <i>Joseph Hayes</i> for £100. ditto bought of him at 101 per Ct. —	4 101

	Per Contra.	Cr. 2
1757 Aug. 15	By Cash per so much rec'd. of <i>Edward Ellis</i> for £300. Capital sold him at 121 per Ct. —	Capital 300 1 363

	Per Contra.	Cr. 3
1757 Aug. 16	By Cash per so much rec'd. of <i>Simon Swaart</i> for £200. Capital sold him at 136 $1\frac{1}{2}$ per Ct. —	Capital 200 1 273

	Per Contra.	Cr. 4
1757 Aug. 17	By Cash per so much rec'd. of <i>Tbo. West</i> for —	Capital 100 1 100

## Of BOOK-KEEPING.

These Forms were drawn up at the instance of a Gentleman, who had a great Property in the *Public Funds*; and, as they were approved of by him, they may possibly be of Use to some others, who know least of the Matter than he did.



The following Books, wrote by Mr. LONDON, may be had at the Publishers hereof; viz.

1<sup>st</sup>, A Complete System of Book-keeping, after the Italian Method; wherein the Principles of that Art are set forth and explained; Examples of all the different Accounts which naturally come to be formed and kept, in carrying on a regular Course of Trade, after all the different Manners a Merchant can engage therein are given; the Manner of applying the said Method to the Use of *Warehousemen, Shopkeepers, Owners of Estates, Stewards, and others* is shewn; and the Errors, Defects and superfluous Accounts, which abound in the Writings of Schoolmasters and others, who have taken upon them to treat thereof, without having ever served in Merchants Counting Houses, are corrected, supplied and retrenched: Particularly those contained in an *Essay on Book-keeping*, according to the true *Italian Method*, &c. published by William Webster, and corrected by Ellis Webster, LONDON 1749, The Tenth Edition.

2<sup>dly</sup>, The Art of Book-keeping made easy to the Young, and the Unexperienced, by Forms adapted to the immediate Concerns of Persons in the following Stations of Life, viz.

*Youth at School, Apprentices, and Servants of both Sexes, who would keep a regular Account of their Disbursements of any Kind, laid out, either for themselves, or their Principals, or both.*

*Owners of Estates, or Stewards and Rent-gatherers, who would keep a regular Account of Things in their Way, though not concerned in Trade at all.*

*Warehousemen, Shopkeepers, and such like as are concerned in Trade, and would conduct their Accounts after the most regular Method.*

The whole carried on by double Parties, though without a *Journal* Book as the Merchants use.

These Forms are so contrived, as that by giving at first Examples the most familiar and easy to be understood, a thorough Knowledge of the Art may be attained to afterwards; the whole being founded on the Plan, and designed as an Introduction to the Study and Practice of a larger Work, intituled, *A Complete System of Book-keeping after the Italian Method*, &c.; and proper to be bound up with it. Calculated for the Use of such as would be instructed in so valuable and so necessary an Art.

3<sup>dly</sup>, Forms for setting down to Account an *Housekeeper's* Expences, as also for making out *Artificers* and *Tradesmen's Bills*, and Bills of Parcels; drawing Receipts of Acquittances, Notes of Hand, and Bills of Exchange; and for writing familiar Letters or Epistles.

Drawn up for the Use of both Sexes at School, that by copying them out, they may not only be taught to write a Running Hand, fit for Business, but acquire, at the same time, as much Knowledge of Arithmetick and Accounts, as nobody ought to be ignorant of: These Forms teaching how to apply the Use of Figures to real Business.

Very proper for private Families, as well as Schools, as the Generality of Servants of both Sexes, as well as many other Persons of a higher Rank, may find somewhat to improve and divert them at their leisure Hours.